INTERMOUNTAIN POWER SERVICE CORPORATION

December 16, 1999

Mr. Lance Lee Intermountain Power Agency 480 East 6400 South, Suite 200 Murray, Utah, 84107

Dear Mr. Lee:

Environmental Concerns Over Pet Coke Burn & Radian Proposal

We have completed the initial one week test burn of a pet coke-coal blend on Unit 1. We are still evaluating the results of the burn but we can make the following environmental observations:

- NO_x emissions did appear to increase with the initial flow of pet coke into the boiler. They were controlled by altering boiler operation so that we remained below our emissions limits. More testing would be required to determine the long term effect on NO_x emissions. That testing would involve burner-air flow tuning to determine optimum conditions and the effect on plant heat rate.
- SO₂ emissions also increased but, remained within our permit limits. If the decision is made to burn pet coke continuously, we will have to improve scrubber performance over what was observed during this test or we will exceed previous emissions levels. This would require IGS to obtain additional SO₂ emissions credits to the EPA and could put us under a new source review.
- Some observations of the pet coke pile during a wind storm indicated that the pet coke was
 dustier than coal. This could possibly require additional control equipment.

We are also attaching a copy of a previous letter we sent outlining our environmental concerns with this project. Please insure that the economic analysis includes the impact of these concerns on the overall project costs.

Sincerely.

S. Gale Chapman

President and Chief Operations Officer

attachment

CC: Rand Crafts
Blaine Ipson

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